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**PSC BEGINS PROCEEDING TO REVIEW
PROPOSED SALE OF NORTHWESTERN CORP.
TO BABCOCK & BROWN INFRASTRUCTURE**

The state Public Service Commission's proceeding to review the proposed sale and transfer of NorthWestern Corporation to Babcock & Brown Infrastructure Limited, an Australian firm, has begun with the issuance last week of the PSC's notice of the companies' filing that was submitted to the PSC on June 7.

Under the terms of the proposed transaction, BBIL will acquire NorthWestern for about \$2.2 billion, of which \$736 million is NorthWestern's existing debt that will be assumed by BBIL and the remaining \$1.49 billion will be funded through a combination of equity contributions by BBIL and debt financing. NorthWestern shareholders will receive \$37 per share from BBIL.

Persons who want to participate as parties in the proceeding must file a petition for intervention with the PSC by July 10. Other interested persons who do not wish to formally participate as intervenors may submit written comments to the PSC by letter or by using the PSC's web-based comment form on the PSC's website at <http://psc.mt.gov/Consumers/comments/>.

The NorthWestern/BBIL filing is available on the PSC's website at the eDocuments link (<http://psc.mt.gov/eDocs/CurrentInterest/>). The docket number assigned by the PSC to the proceeding is D2006.6.82.

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